Form OSS-69B
Revised

WAR DEPARTMENT—STRATEGIC SERVICES UNIT

OFFICIAL DISPATCH

DATE 10 APRIL 1946

TOP SECRET

FROM SHANGHAI

TO SSU

X	PRIORITY
	ROUTINE
	DEFERRED

IN 35608

WAR DEPARTMENT—STRATEGIC SERVICES UNIT

DISTRIBUTION

(FOR ACTION)	(FOR INFORMATION)
SSUCC (1-2)	SSUAA (3), SSUBB (4), SSUDD (5-6)

U. S. GOVERNMENT PRINTING OFFICE 16—40068-2

[redacted]

RECEIVED IN CODE OR CIPHER

PARAPHRASE NOT REQUIRED HANDLE AS
TOP SECRET CORRESPONDENCE PER PARAS
44G AND 53 A, AR 380-5.

SHAN 659.

FOR: SSUCC CITE: SHUCC.

FOLLOWING DATED 9 APRIL RECEIVED FROM CHANDLER:

"AT THE VERY TIME U.S. SHOULD HAVE ADEQUATE INTELLIGENCE COVERAGE IN MANCHURIA WE ARE BEING PULLED OUT. PEACE TEAMS HAVE JOB OF ADJUSTING DIFFERENCES BETWEEN NATIONALISTS AND COMMUNISTS BUT THEY ARE NOT ENGAGING IN ANY INTELLIGENCE ACTIVITY. THE FUTURE STATUS OF U.S. HERE IS OVERSHADOWED BY DESIRE TO STOP CONFLICT WHICH IN NO WAY SOLVES THE PROBLEM OF OUR FUTURE HERE: THERE ARE MANY INSTANCES ON BOTH SIDES OF INSINCERITY. THE REDS CONTINUE TO DESTROY COMMUNICATIONS. THE BLUES ARE UNDERCOVER FIGHTING ENTRY PEACE TEAMS, ARE DISCOURTEOUS TO RED MEMBERS OF PEACE TEAMS AND KUOMINTANG* HAS ORGANIZED DEMONSTRATIONS AGAINST PEACE TEAMS. NO EFFORT ON OUR PART TO COMBAT RUSSIAN INFLUENCE HERE IS EVIDENT IN POLICY OF PEACE TEAMS AND PROBABLY RIGHTLY SO BUT WE MUST RECOGNIZE THE INFLUENCE

TOP SECRET

* REC'D RUMONTNNG

[redacted]

WAR DEPARTMENT OFFICIAL DISPATCH STRATEGIC SERVICES UNIT

WAR DEPARTMENT - STRATEGIC SERVICES UNIT

REF. NO. #SHAN 659

FROM SHANGHAI [redacted]

16—39201-1 GPO

RECEIVED TOP SECRET

AND AGREE TO IT OR DO SOMETHING ABOUT IT NOW. A YEAR FROM NOW WILL BE TOO LATE. THE ATTITUDE OF BLUES TOWARDS RUSSIANS IS FIRM IN PROPORTION TO DISTANCE OF RUSSIAN TROOPS. PICTURES BEING SHOWN BY BLUES ON RUSSIAN PARTICIPATION WITH REDS AS ADVISORS AND IN ACTUAL COMBAT ARE LARGELY FAKES. MANY OF THESE WERE MADE AT PRISON CAMP IN CHINCHOW. INCIDENTS INVOLVING CHINESE AND RUSSIANS ARE INCREASING AND WILL INCREASE WHEN MILITARY OPERATIONS AGAINST REDS ARE STOPPED. RUSSIA MIGHT WELL HAVE EXCUSE TO SEND FORCES HERE TO PROTECT HER NATIONALS."

TOR: 0858 10 APRIL 46.

TOP SECRET

COPY 3